

CITY OF HORSESHOE BAY

CITY COUNCIL PUBLIC MEETING

November 28, 2006

The Council of the City of Horseshoe Bay held a Public Meeting at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, November 28, 2006, in accordance with duly posted notice of said meeting. Mayor Bob Lambert called the meeting to order at 3:00 p.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor
James E. Babcock, Mayor Pro Tem
John Bird, Alderman
Karen Wines, Alderwoman
Richard Rantzow, Alderman
Jeff Robinson, Alderman

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered with the agenda subject and item number shown preceding the applicable paragraph.

1. Call to Order and Establish a Quorum: Mayor Bob Lambert called the Public Meeting to order at 3:00 p.m. with a quorum present. Pete Christy from the Church at Horseshoe Bay led the invocation. Mayor Lambert then led the pledge of allegiance to the United States Flag and the Texas Flag.
2. Comments from Mayor: Mayor Lambert thanked Jim Babcock for starting his second term on the Council and congratulated Dick Rantzow and Jeff Robinson on their election to the City Council and said he looked forward to having them on the City Council. He then welcomed Jim Fiero, the new Fire Chief. He stated the Lifestyles Committee held their first Public Hearing on November 27, 2006 and he feels they are making great progress. There was preliminary discussion on six of the items and the remainder will be discussed at a later date. He said he had asked Police Chief Bill Lane to prepare a proposal to the City Council in order to adopt State and City laws regarding speed limits. He also said the Sales Tax Committee is making progress on their task. Mayor Lambert then said he had a call from Arrowhead Bank requesting he present them with a Certificate of Appreciation for ten years of business in the community. He checked with Monte Akers and Monte advised him that is a duty the Mayor is expected to perform and therefore he issued a Proclamation. He advised the Council he will keep them informed when he does these type things in the future.
3. Comments from Aldermen: Alderwoman Wines welcomed the new Council members.
4. Public Comments: There were no public comments.
5. Presentation by Ryder Warren on the MFISD School Bond Election: Dr. Warren stated the Bond election passed and they are now working on developing a plan to begin work on the new

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construction. MFISD is currently trying to locate land on which to build a new elementary school to replace the current Colt Elementary School. The District continues to grow and they are well over 4,000 students at this time. They anticipate a busy upcoming two years. Alderman Babcock asked whether they had any contact with TxDOT concerning the road from Horseshoe Bay to Marble Falls on any planned improvement. Dr. Warren stated the school district is currently trying to design a second entry to the current high school and that he is not aware of any improvement in the works for Hwy. 2147. Mayor Lambert thanked Dr. Warren for keeping the Council informed.

6. Items to be Removed from Consent Agenda:

- a. Minutes of November 2, 2006 Public Meeting: Alderman Babcock requested the minutes be amended to read what his actual comments were. He said the Zoning Ordinance Section 2.20.1 provides "There shall be a presumption against variances". He continued to point out that the variances they had approved during this meeting were each an unusual circumstance in that it either avoided an undue hardship as stated in the facts presented or they were in the public interest such as changing a multi-family to a single-family. He then concluded that simply because you want to do something different than the Zoning Ordinance states you can not presume it will be approved by the Council. Alderman Bird stated his approval. Alderwoman Wines also asked that Jim Rowe's name be corrected. Alderman Rantzow made the motion to approve the amended minutes. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0).

7. Consent Agenda Items: Alderman Rantzow made the motion to approve the Consent Agenda items.

- b. Final Plat Approval:
 - i. Replat of Lot Nos. W8013 and W8014 Horseshoe Bay West, Plat No. W8.1 to be known as Horseshoe Bay West, Plat No. W 8.14
 - ii. Replat of Lot Nos. W9024 and W9025 Horseshoe Bay West, Plat No. W 9.1 to be known as Horseshoe Bay West, Plat No. W 9.7
- c. Accept \$54,000 Grant from Texas Forest Service for the Purchase of a Brush Truck and Authorize the City's Cost-Share Payment Not to Exceed \$10,000 to be Funded from the General Fund Capital Budget
- d. Contract for Central Water Plant Administration Building Plumbing
- e. Contract for Central Water Plant Administration Building Electrical

The motion was seconded by Alderman Robinson. The motion passed by unanimous vote (5-0).

Alderman Robinson asked why the Brush Truck was not purchased from a local dealer. General Manager Thuss stated this is standard procedure in this instance because only certain dealers can provide this type truck and needed customized items. Alderman Babcock asked what the City was going to do with the old brush truck. Thuss stated it had not yet been decided.

8. Public Hearing Regarding Zoning Variance to Escondido Lot No. 167:
10. Public Hearing Regarding an Amendment to the Zoning Ordinance for the Plat of Escondido Plat No. 1.6 Zoning Ordinance 3.10.3(c) Garages: Mayor Lambert stated he would like to hold both of the Public Hearings regarding Escondido at the same time. He stated the public would also be encouraged to discuss the items following the Public Hearings. He then convened the Public Hearings at 3:18 p.m. and asked if anyone from the public had any comments regarding either. There were no comments and he adjourned the Public Hearings at 3:19 p.m.
9. Zoning Variance Escondido Lot No. 167: Mayor Lambert asked if there were any comments or questions from the Council. Alderwoman Wines stated she assumed Escondido had requested these variances and Mayor Lambert said they had. Alderman Babcock asked if the Architectural Committee had signed off on this variance. Glenn Jones stated the Architectural Committee had brought these items to the City for consideration. Alderman Robinson made the motion to approve the Zoning Variance to Escondido Lot No. 167 to allow construction of the home with the garage facing the street. Alderman Rantzow seconded the motion. The motion passed unanimously (5-0).
11. Zoning Amendment Plat of Escondido Plat No. 1.6: Alderwoman Wines made the motion to approve the amendment. Alderman Robinson seconded the motion. Alderman Bird stated this Zoning Amendment would change the current Zoning Ordinance from allowing “not less than one and not more than a two car garage” to state only “not less than one”. Alderman Babcock stated he owns a lot in Escondido, but had no objections to this change. He added he had received the required Certified Letter advising him of the possible zoning change. Alderman Robinson said he also owns a lot in Escondido. Mayor Lambert then asked if they intended to vote and that there was a quorum without them if they wished to recuse themselves. They did recuse themselves. Alderwoman Wines made the motion to approve the Zoning Amendment. Alderman Rantzow seconded the motion. The motion passed unanimously (3-0).
12. Public Hearing Regarding Zoning Variance to Horseshoe Bay Lot No. 5027: Mayor Lambert stated he wanted to discuss this to some extent due to the fact he had received some phone calls concerning this. This request is to allow an 1800 square foot home instead of the required 2400 square foot home. He then stated the Zoning Ordinance did not require Architectural Committee approval on a Zoning Variance. He said he believed this was simply overlooked when drafting the Ordinance. The landowner had brought this to the City without this approval; however this was not his fault since the current Zoning Ordinance did not require this approval. Mayor Lambert then stated if the Council did approve this today; it would still have to go to the Architectural Committee for approval prior to being issued a City building permit. Mayor Lambert asked the landowner to allow the City to pass on this item this week. The owner could then meet with neighbors that have expressed concerns as well as meeting with the Architectural Committee. The Mayor suggested this due to the fact if the item is deferred at this meeting it could be placed on the next agenda; however if it was voted on today and did not pass, the process of posting and placing on the Council’s agenda would have to start completely over. Mayor Lambert stated that he felt the Architectural Committee would make a decision on this matter prior to the next meeting of the City Council. The owner agreed with the Mayor’s suggestion and the item was tabled. Alderman Babcock reiterated that even with

approval from the Architectural Committee it in no way guaranteed approval of the variance by the Council. Mayor Lambert restated the fact that the Zoning Ordinance has a “presumption against variances”.

14. Zoning Variance to Horseshoe Bay Lot No. 5027: No action was taken on this item.
15. General Manager’s Report: Mike Thuss welcomed the new Council members and Fire Chief Fiero. Glenn Jones introduced new Field Operators, John Morrison and Jeramy Kennedy and Development Services Technician, Bobbi Baker. Mr. Thuss stated City Staff only needs one more person in the Administration Department in order to be fully staffed. A copy of the General Manager’s report is attached and made a part of these minutes. There was some discussion concerning various items. Among these were budget variances, issues concerning the Cape, The Waters construction area and emergency preparedness.
16. Preliminary Plats: Glenn Jones stated items a. and d. are in Burnet County, and the applications have not been reviewed by the Burnet County 911 Coordinator because she is out of the office due to a death in the family. He stated he did not anticipate this causing a problem and if it did it could be corrected prior to final approval. Alderman Babcock asked about item c. and Glenn explained that this was a previously unplatted area that HSB Corp. would like to now plat in order to sell. Alderwoman Wines questioned as to whether the replatting process was causing the POA to loose income when it dealt with combining multiple lots into one. Mayor Lambert explained the Zoning Ordinance did not address this and that these replats were previously approved by the Architectural Committee. Tom Engler is a member of this committee, and he stated the one reason lots can be replatted is if they are doing so in order to protect their view. Alderman Bird questioned how previously unplatted areas in the process of being platted are zoned. Mayor Lambert stated they are zoned consistent with the surrounding property. Alderman Babcock made the motion to approve the preliminary plats. Alderman Robinson seconded the motion. The motion passed unanimously (5-0).
17. Municipal Court: Mayor Lambert explained that he has been working with Alderman Babcock on this. They hope to have ordinances ready for review at the December Council meeting and hope to have the Court operating by February 1, 2007. They have interviewed candidates for Judge and City Prosecutor and will have recommendations for Council at the December meeting. The Court Clerk position will be filled with existing employees. There is \$50,000 in the budget in order to get the needed computer hardware and software and pay personnel. He also stated these are all part-time positions; however, due to startup costs, this year’s income may not cover expenses.
18. TML Salary Survey: Alderman Bird stated in the past Lake LBJ MUD contracted for their salary survey at a cost of approximately \$5,000 per year on a bi-annual basis. He has contacted TML and they have similar salary information and work through a consultant to prepare a report. There are approximately 700 cities in Texas that participate and the report is available to the City for only \$500. He recommended that the City participate in this survey for one year and see how the TML survey compares to the one currently used. The Mayor stated he thought City could accommodate this within the present budget and would participate as suggested.

19. Meeting Schedule: Mayor Lambert advised that he would prefer not to have to call “Special Meetings”. Alderwoman Wines asked if there would be a problem changing the regular meetings to the second Tuesday of each month. Mayor Lambert stated the reason the third Tuesday was chosen was to be able to get the financial information prepared for the meeting. Alderman Rantzow made the motion to approve the meeting schedule as presented with the change of the August meeting to the 28th, a copy of which is attached and hereby made a part of these minutes. Alderman Robinson seconded the motion. The motion passed unanimously (5-0).
20. Election of Mayor Pro Tem: Mayor Lambert stated Jim Babcock served admirably this past year and has agreed to continue to serve as Mayor Pro Tem if re-elected. Alderman Bird made the motion to re-elect Alderman Babcock as Mayor Pro Tem. Alderwoman Wines seconded the motion. The motion passed unanimously (5-0).
21. Election of Chief Information Officer: Mayor Lambert stated he had spoken to Jeff Robinson about serving as Chief Information Officer. Alderman Bird made the motion to elect Jeff Robinson to the position of Chief Information Officer. Alderman Rantzow seconded the motion. The motion passed unanimously (5-0).
22. Update on Skywater Development: Mayor Lambert said there have been numerous meetings with the developers of Skywater. There is a great deal of work to be done in order to accomplish the annexation and it may require one or possibly two special meetings in order to stay on schedule. Sam Martin stated they are in the process of initiating the establishment of a Public Improvement District (PID). They hope to have the PID process completed in 60-90 days. He furnished a book to each Council member containing the current land plan. They plan to begin land sales of Phase I the first of 2007. They will have a complete set of plans for the Council’s review at the December 12, 2006 Council meeting. Mayor Lambert stated this is important for the City and he wants to make sure the community and the Council has plenty of time to review the plans. Mr. Martin is asking the Council to approve the following two agenda items today in order to stay on schedule with construction. The road clearing will consist of the early stages of about 5 miles in order to show the property to prospective buyers. Alderman Robinson questioned why the Council needed to approve. Mayor Lambert stated this is in the City’s ETJ and Mr. Martin wanted the Council’s concurrence. Phase I will consist of 152 lots. Sam Martin noted they will be obtaining a permit from LCRA for clearing.
23. Skywater Road and Other Clearing: Alderman Rantzow made the motion to allow the developers to begin clearing. Alderman Babcock seconded the motion. The motion passed unanimously (5-0).
24. Skywater Sales Office and Provision of Utility Service: Alderman Bird asked if staff had reviewed the requested utility service. Glenn Jones said they had and there is no problem extending the existing lines from Siena Creek. Alderman Bird then asked if the developer was aware of the cost of the services and Sam Martin said they were. Alderman Bird also clarified the fact that the developer will pay for the cost of the line extension in order to provide service. Alderman Rantzow made the motion to allow construction of the sales office and to provide out-of-district utility service to the sales office. Alderman Bird seconded the motion. The motion passed unanimously (5-0).

Regular Meeting Adjourned for a Recess: At 4:50 p.m., Mayor Lambert announced that the meeting would adjourn for a short recess.

Regular Meeting Resumed: At 5:05 p.m., Mayor Lambert reconvened the meeting.

25. Consultants for CIP/Impact Fees: General Manager Mike Thuss stated they are asking Council to approve the strategy of integrating the development of Skywater into the Capital Improvement Plan and to allow acceptance of up to \$15,000 from the Skywater developer for this work. They are also asking Council to approve a contract with Naismith Engineering to integrate the Skywater Development into the update, perform system modeling services and provide the update report for a fee not to exceed \$55,000 with \$15,000 from the developer of Skywater and \$40,000 from the City's Capital budget. Glenn Jones and Mr. Thuss have reviewed the City's current list of available consultants from the City's list of qualified consultants and they have agreed that Naismith Engineers, who did the original Capital Improvement Plan for Lake LBJ MUD in 2002, was the most qualified to complete the update of the 2002 plan. They are familiar with the water and wastewater system, they have successfully completed other CIP updates and they have the qualified staff available to complete the update in a timely manner. Staff has met with Naismith and began work on the update to define requirements and personnel that would be assigned and also to advise them of the need to integrate the Skywater development into the update. A copy of this report is attached and made a part of these minutes. Alderman Babcock asked if the work Naismith would do on the CIP included other issues such as police and fire or just the utility division. The question of roads was one area of concern as to whether they would be included in the study. Alderwoman Wines asked if bids were taken for this project. General Manager Thuss explained the policy was to select ten qualified engineering firms to place on the City's list of qualified firms and then select the most qualified for specific jobs from those ten. Alderman Rantzow asked if there are penalties if the work is not completed on time. Mr. Thuss stated there are none other than payment is not made until the work is done. City Attorney Akers explained this is the legal procedure for selecting engineering firms. Former Alderman Wood concurred this is historically the way an engineering firm is selected and paid. Alderman Robinson made the motion to go forward with the selection of Naismith. Alderman Rantzow seconded the motion. The motion passed unanimously (5-0).
26. Subdivision Ordinance: Mayor Lambert explained there was a meeting in August and attorneys have prepared a draft of the Subdivision Ordinance. Mayor Lambert and Aldermen Babcock and Bird have all reviewed the latest draft and discussed it with the City's Attorney. His suggestion was to put the present draft on the website and ask several of the developers in the area to read and review and for Council to also read and review prior to the December 12, 2006 meeting anticipating approval early in 2007. Attorney Akers asked that Council pay particular attention to the portion concerning parks. It is unique because it states the subdivisions are each responsible for their own park areas instead of the City being responsible. Mayor Lambert stated most developers and POA's have been okay with this stipulation. Alderman Bird suggested that Council ask local engineers to review the draft also.

Mayor Lambert noted they plan on adopting Austin detail specifications in the initial ordinance and if changes need to be made at a later date they can easily be done.

27. Agenda for 2007: Mayor Lambert presented a list of items that need addressing during the next year and stated he had added the workshop for emergency preparedness as mentioned earlier in today's meeting. He noted this is only what he was aware of the Council will need to address and in no way contains everything that will need to be done in the upcoming year. A copy of this is attached and made a part of these minutes. Alderman Rantzow questioned as to whether there will be any assurance developers will complete the projects they start. Mayor Lambert said there is some risk for the City that this can happen. Attorney Akers said the City can do a feasibility study. General Manager Thuss asked if the City can require the developer post some kind of bond. Akers stated there will be payment and performance bonds required. He also added that the City can require bonds if they chose to. Mayor Lambert added Mr. Martin is expecting to provide bonding for the development. Mayor Lambert said Skywater would be on each agenda for several months and Council members can ask Sam Martin any questions they might have or they can forward them to the Mayor and he will ask. Alderwoman Wines asked if the formation of a Planning and Zoning Commission might again be reviewed in the upcoming year. Mayor Lambert said he would add this to the list.
28. Discussion of Council Perquisites: Alderwoman Wines stated she had been asked who was paying for airline tickets for her travel when she has to fly back in order to attend Council meetings. She had assured them this was not paid by the City. Her concerns are to assure residents are made aware the Council does not receive any type of perquisites. It was decided that Alderman Robinson would address this in his press release. It was added there has been no compensation paid and no expenses reimbursed or any type of perquisite this past year to the Mayor or Council members.
29. Adjournment: Alderman Rantzow made the motion to adjourn the meeting at 5:52 p.m. Alderman Bird seconded the motion. The motion passed unanimously (5-0).

APPROVED this 12th day of December, 2006.

/S/
Robert W. Lambert

ATTEST:

/S/
Toni Vanderburg, City Secretary